VZCZCXRO1661 RR RUEHDBU DE RUEHEK #1568 3111033 ZNY CCCCC ZZH R 071033Z NOV 06 FM AMEMBASSY BISHKEK TO RUEHC/SECSTATE WASHDC 8487 INFO RUCNCIS/CIS COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 1797 RUEHDBU/AMEMBASSY DUSHANBE 1336 RHEFDIA/DIA WASHDC RUEKJCS/OSD WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUEHGV/USMISSION GENEVA 0372 RUEHVEN/USMISSION USOSCE 2209 RUCNDT/USMISSION USUN NEW YORK 1594 RUEHNO/USMISSION USNATO BRUSSELS BE RUEHBS/USEU BRUSSELS RUEHLMC/MILLENNIUM CHALLENGE CORP RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL

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E.O. 12958: DECL: 11/06/2016

TAGS: ENRG ECON PREL KG

SUBJECT: AES AND KYRGYZSTAN SIGN MEMORANDUM ON ELECTRIC TRANSMISSION LINES

Classified By: Amb. Marie L. Yovanovitch, Reason 1.4 (b) and (d).

- 11. (U) In a brief November 6 signing ceremony attended by the Ambassador, Kyrgyz Prime Minister Felix Kulov and AES Silk Road President Dale Perry initialed a memorandum of understanding regarding the construction of 500 kilovolt electric transmission lines linking Kyrgyzstan to both Kazakhstan and Tajikistan. Kulov said Kyrgyzstan "could not refuse such a generous offer" and highlighted the "stability" the project could bring to the region. Both sides stressed the role of other foreign companies in the project, and specifically mentioned a place for Russian firms. The entire ceremony was open to the press.
- 12. (C) In a separate discussion with the Ambassador following the ceremony, Perry thanked the Ambassador for helping to put the memorandum back on track and acknowledged the importance of keeping both sides of the Kyrgyz governing tandem, the President and the Prime Minister, as well as the Parliament, supportive of the project. While the memorandum establishes various target dates for the overall project, AES expressed hope that an "Energy Agency" will be established soon within the government to streamline interaction on this project.

Comment

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¶3. (SBU) Amidst the continued demonstrations taking place within sight of the White House, the fact that Kulov kept this ceremony on his schedule underscores the importance the Kyrgyz government attaches to the potential of this project to inject much needed investment into the Kyrgyz economy. AES representatives are elated, but, expect hiccups and are opening a Bishkek office to interface more closely with the Kyrgyz government. End comment.

YOVANOVITCH